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## Spire developer files \$17.5M in liens against his project

By Eddie Baeb  
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(Crain's) — The planned Chicago Spire, which has gained worldwide acclaim for its record-breaking height and twisting design, seems headed for a new moniker: the Lien-ing Tower of Chicago.

Unpaid bills to architects and the contractor that built the new on-off ramps to Lake Shore Drive for the project have prompted three liens totaling \$16.7 million against the Spire's developer, Dublin, Ireland-based Shelbourne Development Ltd.

And in an unusual twist, two development entities controlled by Shelbourne Executive Chairman Garrett Kelleher also filed liens totaling \$17.5 million earlier this month against Mr. Kelleher's company that owns the site at 400 N. Lake Shore Drive.

In the liens the two entities, Chicago Spire LLC and Shelbourne Lakeshore Ltd., claim they had contracts to manage the Spire's design and construction work for Shelbourne North Water Street L.P., and that they performed \$17.5 million of the work and have been paid nothing.

A spokeswoman for the project says the two liens filed by Mr. Kelleher's entities, unlike the three filed by outside firms including the renowned Spanish architect Santiago Calatrava and Chicago-based Perkins & Will Inc., don't arise from a dispute over unpaid bills.

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Instead, she says, Mr. Kelleher is filing the liens as an "inter-company accounting move" that protects the developer's interest in the property.

"We need to abide by the legal restrictions and law for liens," the spokeswoman says. "This puts a marker down."

The spokeswoman insists, however, that this amount represents just a "small fraction" of what Mr. Kelleher has spent on the project — which Shelbourne says is on hold until the economy and lending markets improve.

A lien is a claim against a property used to secure an unpaid bill. By state statute, liens must be filed within a certain timeframe after work is stopped to give the so-called claimant an advantage in seeking repayment in the future.

Mr. Kelleher's two liens were filed Oct. 10. Four days later, Des Plaines-based Lorig Construction Co. filed a mechanic's lien for its work building the new access ramps to Lake Shore Drive.

The firm, a specialist in bridge and road work, in September 2007 struck a \$3.5-million contract for the job and

ultimately supplied an extra \$170,286 in labor and materials to complete the ramps in July 2008, according to the lien.

Lorig says it is still owed \$512,386 for the job. David Lorig, the company's president, says he's had no contact with Shelbourne executives since filing the lien Oct. 14.

The Shelbourne spokeswoman says Lorig's lien, like the others, will go to mediation. "We're extremely confident that this will be resolved," she says.

When it's completed — targeted for 2011 — the Spire is to have almost 1,200 condominiums and be 150 stories tall, which would make it the tallest building in North America and the tallest residential tower in the world.

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